



Delhi Policy Group

Advancing India's Rise as a Leading Power



DPG POLICY BRIEF

ASEAN and Oceania in 2022

Author

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Cover Photographs:

U.S. President Joe Biden poses with ASEAN leaders during their summit in Phnom Penh, Cambodia, Nov. 12, 2022. Source: Radio Free Asia

The PLA's Eastern Theatre Command carrying out exercises close to Taiwan. Source: Weibo

Chinese Foreign Minister Wang Yi and Australian Foreign Minister Penny Wong hold the sixth China-Australia Foreign and Strategic Dialogue in Beijing on Dec. 21, 2022. Source: Xinhua

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by
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ASEAN

In 2022, the great power contestation in Southeast Asia continued to be a serious source of concern to ASEAN leaders. US House Speaker Nancy Pelosi's visit to Taiwan on August 2-3, 2022, provoked China into conducting a series of military exercises, which were in breach of Taiwan's ADIZ. Without naming China, the ASEAN statement¹ in response to these developments averred that, "ASEAN is concerned with the international and regional volatility... in the area adjacent to the ASEAN region". The increasing tensions between ASEAN's major economic partner China, and its major security partner, the United States, are a nightmare scenario come true². Predictably, ASEAN leaders called for maximum restraint, the upholding of the principles of the UN Charter and the Treaty of Amity and Cooperation (TAC), and offered to facilitate peaceful dialogue between all parties, including through ASEAN-led dialogue mechanisms. However, ASEAN remained divided between mainland ASEAN countries - Cambodia, Laos and Myanmar - who have closer relations with China, and maritime ASEAN countries, which have serious reservations on Chinese territorial assertions in the South China Sea, even though all of them adhere to the "one-China policy" and do not have diplomatic ties with Taiwan.

On Ukraine³, the Communiqué issued at the end of the ASEAN Foreign Minister's meeting on August 3, 2022, reaffirmed ASEAN's respect for sovereignty, political independence and territorial integrity, but did not name Russia. The document further stated, "We reiterated our call for compliance with international law and the United Nations Charter. The Meeting underlined the importance of an immediate cessation of hostilities and the creation of an enabling environment for the peaceful resolution of conflict." None of the

¹ Khalik Ul Riaz (August 4, 2022) ASEAN Opposed Provocative actions in the Taiwan Straits. <https://www.aa.com.tr/en/asia-pacific/asean-opposes-provocative-actions-in-taiwan-straits/2653130>

² Thi Mai Anh Nguyen (August 5, 2022) Pelosi's visit to Taiwan Creates a Headache for ASEAN Countries. The Diplomat <https://thediplomat.com/2022/08/pelosis-visit-to-taiwan-creates-a-headache-for-asean-countries/>

³ August 3, 2022. Joint Communiqué of the 55th ASEAN Foreign Ministers' Meeting. ASEAN.org https://asean.org/wp-content/uploads/2022/08/Joint_Communique-of-the-55th-AMM-FINAL.pdf

ASEAN countries, except Singapore, have chosen to join Western sanctions against Moscow.

During the ASEAN Summit in November 2022, ASEAN leaders reviewed the implementation of the “Five Point Consensus” on Myanmar⁴. The conclusions of the review were as follows: First, ASEAN remains committed to assisting Myanmar to find a peaceful and durable solution to the crisis. Second, Myanmar must comply with commitments made to ASEAN leaders. Third, non-political representation from Myanmar at ASEAN meetings will continue. Fourth, all parties should deescalate tensions. Fifth, all parties should facilitate the work of the ASEAN Secretary General and the ‘ASEAN Coordination Center for Humanitarian Assistance’.

A consensus on political and security issues eluded the EAS meeting held on November 13, 2022, on account of irreconcilable differences on the wording of the reference to the Ukraine issue⁵. The Russian Foreign Minister Sergey Lavrov confirmed to the media that the US and the West were pushing for “unacceptable language” on Ukraine. Reflecting his frustration at the turn of events, Indonesian President Jokowi publicly stated that, “ASEAN must be a dignified region and uphold rules of democracy and humanity. ASEAN should not allow global dynamics to turn into a new cold war in the region.”

The highlight of the current phase of US-ASEAN relations was the establishment of the “US-ASEAN Comprehensive Strategic Partnership” on November 12, 2022⁶. The areas in which ASEAN and the US will strengthen cooperation reflect ASEAN’s developmental priorities and needs. US President Biden’s presence at the EAS underlined the US intent to demonstrate the importance it attached to the ASEAN’s role in the regional security architecture at the center of the Indo-Pacific. To further these aims, President Biden expressed US support for the AOIP. Biden also made it a point to mention the substantial aid given by the US to ASEAN countries since 2003, as also the aid committed during the current period.

⁴ November 11, 2022. ASEAN Leaders’ Review and Decision on the Implementation of the Five-Point Consensus. Asean.org
<https://asean.org/asean-leaders-review-and-decision-on-the-implementation-of-the-five-point-consensus/>

⁵ November 13, 2022. Paragraph 51 of Chairman’s Statement of the 13th East Asia Summit.
https://asean.org/wp-content/uploads/2022/11/FINAL-Chairmans-Statement-of-the-17th-East-Asia-Summit_EAS.pdf

⁶ November 12, 2022. Asean-U.S. Leaders’ Statement on the establishment of The Asean-U.S. Comprehensive Strategic Partnership. <https://asean.org/wp-content/uploads/2022/11/ASEAN-US-Leaders-Statement-on-CSP-final-1.pdf>

ASEAN and China issued a 'Joint Statement on the 20th anniversary of the Declaration on the Conduct of Parties in the South China Sea'⁷. The Statement demonstrated, yet again, ASEAN's tendency to capitulate under Chinese pressure, to bandwagon with China as Cambodia and Laos have done, and to join Chinese efforts at legitimizing aggression in the South China Sea through the discussions on the Code of Conduct, which is essentially a derogation from International Law. It is difficult to see how a code of conduct can be effective if it merely ratifies the status quo.

In a significant development, India upgraded its ties with the ASEAN to a "Comprehensive Strategic Partnership"⁸. The areas of India-ASEAN cooperation have been broadening over time, increasingly reflecting the development priorities of both partners. This is what gives them an enduring quality. ASEAN and India are also seeking to expand their trade and investment relations and the decision to review the FTA and promote trade facilitation is a welcome development.

On November 11, 2022, ASEAN released the "ASEAN Leaders Statement on the 55th Anniversary of ASEAN"⁹. The statement catalogued the achievements of ASEAN since its founding in 1967 and reviewed the work in progress towards the building of the ASEAN Community. The statement listed ASEAN's significant contribution to regional norm setting through the 'Treaty of Amity and Cooperation' (TAC), the ratification of the ASEAN Charter, the 'Declaration of the Zone of Peace, Freedom and Neutrality' (ZOPFAN), the 'Declaration of the Southeast Asia Nuclear Weapons Free Zone' (SEANUFZ), the 'Declaration of the Principles for Mutually Beneficial relations' (issued by the EAS) and the 'ASEAN Outlook on the Indo-Pacific'. The ASEAN Summit also issued the "ASEAN Leaders Statement on the ASEAN Connectivity Post 2025 Agenda"¹⁰. The objective of the statement was to promote people centric and people oriented

⁷ November 12, 2022. Joint Statement on the 20th Anniversary of the Declaration on the Conduct of Parties in the South China Sea. ASEAN.org <https://asean.org/wp-content/uploads/2022/11/FINAL-ASEAN-China-Joint-Statement-on-the-20th-Anniversary-of-DOC.pdf>

⁸ November 12, 2022. Joint Statement on Asean-India Comprehensive Strategic Partnership. ASEAN.org <https://asean.org/wp-content/uploads/2022/11/Joint-Statement-on-ASEAN-India-CSP-final.pdf>

⁹ November 11, 2022. ASEAN Leaders' Statement on the 55th Anniversary of ASEAN. Asean.org <https://asean.org/asean-leaders-statement-on-the-55th-anniversary-of-asean/>

¹⁰ November 11, 2022. ASEAN Leaders' Statement on ASEAN Connectivity Post-2025 Agenda. asean.org <https://asean.org/asean-leaders-statement-on-asean-connectivity-post-2025-agenda/>

approaches towards sustainable development, regional integration and future oriented policies.

Oceania

Responding to the challenges in its neighborhood – the new Labor government in Canberra has prioritized and focused its initial regional high-level diplomatic outreach with Japan, ASEAN and Pacific Island countries¹¹. The centrality of Australia's alliance with the United States and the commitment to the "rules based order" remains, but there is a new mode of "vigorous activism". Australia hopes to find common interests with neighboring small and medium powers to create a peaceful and stable region where sovereignty is respected. Australian Foreign Minister Penny Wong hopes that this will shape the way great powers – China and the United States - conduct themselves in the future.

On China there is a shift in the tone on both sides. On September 22, 2022 the Chinese Foreign Minister Wang Yi met Australia Foreign Minister Penny Wong on the sidelines of the UNGA and said that China was "willing to properly resolve differences"¹² with Australia and the two sides should "meet each other half way". Penny Wong has not criticized or endorsed House Speaker Nancy Pelosi's visit to Taiwan. However, she described China's response, particularly the firing of ballistic missiles into Japan's EEZ, as "excessive and called for restraint and de-escalation". Penny Wong approvingly referenced a term used by former Prime Minister Kevin Rudd arguing for the countries of the region to seek "managed strategic competition" to reduce the "risk of escalation, conflict and war"¹³.

The South Pacific is inexorably being sucked into the vortex of the great power competition between China on the one hand, and Australia and the United States on the other. The Strategic aims of China in the South Pacific seem to be to ensure adherence to its "one China" policy, to expand its influence in these countries since they exercise their votes in the UN and other bodies, and

¹¹ October 1, 2022. Penny Wong Wants Australia to Be More Than a Supporting Player. Foreign Policy
<https://foreignpolicy.com/2022/10/01/penny-wong-australia-foreign-policy/>

¹² September 24, 2022. Wang Yi Meets with Foreign Minister Penny Wong of Australia. Chinese Ministry of Foreign Affairs.
https://www.fmprc.gov.cn/eng/zxxx_662805/202209/t20220925_10771215.html

¹³ October 1, 2022. Penny Wong Wants Australia to Be More Than a Supporting Player. Foreign Policy
<https://foreignpolicy.com/2022/10/01/penny-wong-australia-foreign-policy/>

gaining access to Pacific ports for its fishing fleets, its Navy and seabed mining. In recent years there had been periodic reports about a potential Chinese naval base in Vanuatu and Fiji.

In March 2022, a draft security agreement between the Solomon Islands and China was leaked. On April 19, 2022, the Chinese Ministry of Foreign Affairs confirmed that China and the Solomon Islands had concluded a five-year security agreement¹⁴. Under the agreement, China could send armed police and military forces if requested by the Solomon Islands' Government and station its Navy ships off the coast of the Solomon Islands. The agreement is significant because the Solomon Islands is a transit point for cargo that moves in the South Pacific, which carries importance for the navigation of sea vessels and aircraft. The geo-strategic significance of these islands scattered across the Pacific Ocean owes itself to their being critical for maintaining supply lines and for force projection.

The US maintains a strong investment and intelligence presence in Australia and New Zealand, and has a strong military presence in the Marshall Islands. The US has unequivocally expressed its opposition to the Solomon Islands-China agreement, declaring on April 18, 2022, "we believe that the signing of such an agreement could increase destabilization within the Solomon Islands and will set a concerning precedent for the wider Pacific Island region¹⁵."

The Solomon Islands, Fiji and other Pacific Island countries have become more assertive about their interests in recent years. There is a trend towards greater cooperation among Pacific island countries within the framework of the PIF and other Pacific institutions. South Pacific Leaders welcome Chinese aid and investment as it helps them with infrastructure projects they want or need. The perception that external powers are competing for regional influence has opened up global opportunities for these South Pacific States, and has encouraged the belief that they can play competing powers against each other. But this also exposes them to the risk of political dependence and unsustainable debt, and might enable China to extort significant political leverage, especially on international issues affecting China's core national interests.

¹⁴ Graham Euan. May 5, 2022. Assessing the Solomon Islands' new security agreement with China. IISS
<https://www.iiss.org/blogs/analysis/2022/05/china-solomon-islands>

¹⁵ The Solomon Islands suspended entry into its waters by foreign navy ships pending the adoption of a new process for approval of port visits. The suspension of entry followed incidents during the last week of August, 2023, when a U.S. Coast Guard vessel, the Oliver Henry, and a Royal Navy vessel, HMS Spey, were unable to make port calls because the government did not respond to requests to refuel and provision.



The security agreement between China and the Solomon Islands is reflective of the ongoing global and regional redistribution of geopolitical power. The winner of the game is not yet clear, but the scales may be gradually tipping in favor of an assertive China. From a wider geopolitical perspective, China may have been motivated by its desire to ensure maximum adherence to its “one China” policy, but its activism may also be a reaction to the new Indo-Pacific institutions and the AUKUS Pact.

The conclusion of the defense and security pact between China and the Solomon Islands carries consequences for the neighborhood. First, if China were to establish a military base in the Solomon Islands, Australia would be forced to move away from its Indo-Pacific focus and reorient its energies to security threats from its South Pacific neighborhood. The second risk is through elite capture and corruption, and by undermining institutions of governance. In this way, one or more of the Pacific Island nations may be pushed into a scenario of state failure.

Conclusion

It is possible to draw some broad conclusions about significant developments in the ASEAN and Oceania in 2022.

First, ASEAN regards China’s continuing aggressive, assertive and coercive behaviour - as demonstrated by Chinese actions in the Taiwan Straits - as the main threat to peace and stability in the region.

Second, ASEAN - with the sole exception of Singapore - refuses to join the western chorus on condemnation of Russia by name and imposing sanctions on Russia over the Ukraine conflict.

Third, on Myanmar, ASEAN will stick to the implementation of the “Five Point Consensus” and rely on diplomacy rather than sanctions because it remains mindful of the dangers of pushing Myanmar further into the Chinese embrace.

Fourth, President Biden’s presence at the US-ASEAN Summit in Cambodia demonstrated US intent to continue its strong support for ASEAN’s role in the regional security architecture at the center of the Indo-Pacific. In November 2022, US-ASEAN relations were elevated to a Comprehensive Strategic Partnership. The US will henceforth align its cooperation to ASEAN priorities and enhance assistance to ASEAN countries.

Fifth, in a display of ASEAN’s weakness, China celebrated the 20th anniversary of the ‘Declaration on the Code of Conduct of Parties in the South China Sea’,



which is nothing but a Chinese attempt at legitimising its aggression in the South China Sea.

Sixth, in a significant development, India upgraded its ties with the ASEAN to a "Comprehensive Strategic Partnership." India and ASEAN will continue to cooperate in areas aligned with the development priorities of both parties. But it remains to be seen if there will be a meaningful review of the India-ASEAN FTA, to better serve the trading interests of both.

Seventh, ASEAN takes pride in being a norm-setter for the region and its position at the center of the regional security architecture in the Indo-Pacific. ASEAN prioritises its work to building the ASEAN Community and will focus its efforts on "people oriented" policies.

Eighth, Australia will focus its diplomacy on neighbouring countries in Asia and the South Pacific, and towards defusing tensions between its major economic partner China, and its major security partner, the United States. Whether China will also try to meet Australia "half way" is an open question.

Ninth, the conclusion of the defence and security pact between China and the Solomon Islands carries considerable potential for adverse geopolitical consequences for Australia and the United States.



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